

MICHIGAN NATURAL RESOURCES TRUST FUND

BOARD OF TRUSTEES MEETING

Minutes of December 2 (7:00 PM) and 3 (9:00 AM), 2008  
Lansing Community College West Campus, 5708 Cornerstone, Lansing

The meeting of the Michigan Natural Resources Trust Fund (MNRTF) Board of Trustees evening session commenced at 7:00 PM, December 2, 2008.

The following Board members were present:

Keith Charters  
Bob Garner  
Dennis Muchmore  
Lana Pollack

Mr. Frank Torre was not in attendance due to a prior commitment.

Also in attendance were various staff members of the Department of Natural Resources (DNR) and other interested parties.

Chairperson Garner introduced the Board members in attendance. He asked Ms. Deborah Apostol, Manager, Recreation Grants Unit, Grants Management, DNR to introduce Grants Management staff. Ms. Apostol introduced Jason Cherry, Linda Hegstrom, Lisa McTiernan, Jule Stafford and Linda Harlow. She also introduced Chief of Staff Rodney Stokes.

Chairperson Garner informed the audience that the purpose of public appearances this evening was for grant applicants to provide new information directly related to their project score that was not available during the staff review process. No general or PowerPoint presentations on proposed projects will be allowed unless the Board asks for them specifically. Each applicant will have three minutes for comments. The Board may place additional limitations on multiple speakers addressing the same application or question.

Chairperson Garner advised the audience that the Board had asked the Detroit Riverfront Conservancy to make a presentation.

Ms. Vicki Anthes, Parks and Recreation Division, DNR – Land Acquisition Proposal for Detroit Riverfront and Partnership with Detroit Riverfront Conservancy

Ms. Vicki Anthes, Parks and Recreation Division, DNR made a PowerPoint presentation outlining a land acquisition proposal for the Detroit Riverfront and the partnership with the Detroit Riverfront Conservancy. She introduced Mr. Will Smith, Senior Director of Finance and Administration; and Ms. Faye Nelson, President and CEO of the Detroit Riverfront Conservancy.

Ms. Anthes informed the Board that this is a proposal for land acquisition based upon a long-standing partnership with the Detroit Riverfront Conservancy, which is a non-profit

organization. This relationship started in December of 2002 where plans for the riverwalk and Tricentennial State Park and Harbor were announced. Phase I of Tricentennial State Park (harbor renovation) was completed in May 2004. Phase II is now under construction and will be completed in the fall of 2009. Since 2002, the DNR and Conservancy have collaborated on project development, challenges and the "Vision."

Ms. Anthes outlined the transformation of the riverfront. The Tricentennial State Park and Harbor helped birth a new, green public space on the riverfront. Prior to that the Detroit River was inaccessible to the public due to a century of industrial use. Silos from cement plants were part of the past industrial landscape and the DNR worked with multiple partners to remove them. The Department of Environmental Quality funded the demolition. The DNR envisions seeing a bridge-to-bridge transformation (Ambassador Bridge to MacArthur Bridge) with the Tricentennial State Park and the Detroit Riverfront Greenway Initiative.

Ms. Anthes outlined Rivard Plaza, which is a former brownfield adjacent to Tricentennial State Park. This is now a successful riverfront development completed by the Conservancy. It demonstrates the Conservancy's focus on the "Vision" and their success. The DNR's success is linked to their long-standing partnership with the Conservancy. This partnership is critical to complete the reclamation of the Detroit Riverfront, utilizing each partner's strengths.

It is the goal to create a five-mile greenway and a series of outdoor recreation spaces between Ambassador Bridge and MacArthur Bridge (to Belle Isle). The greenway would feature a series of parks, plazas, recreation spaces, fountains and the Port Authority cruise ship dock.

The DNR's proposal is to acquire the former Detroit Free Press property from the Conservancy. The request is for \$11 million to purchase land along the river that will become part of the entire greenway system and it will be funded in multiple payments. The total property value is \$17 million. The Conservancy will gift \$6 million of the property value to the DNR. The former Detroit Free Press building was removed and a baseline environmental assessment has been completed to meet state requirements for land acquisition.

Ms. Anthes outlined a couple of examples of urban parks across the country that have had similar challenges.

- Millennium Park, Chicago, Illinois – opened in July 2004, 24.5 acres. This is an award-winning center for art, music, architecture and landscape design. It includes park programs and entry is free. Visitation is 3.5 million annually. This represents a unique partnership between the City of Chicago and the philanthropic community (private donors and government). The park includes an interactive crown fountain and cloud gate sculpture. Neighboring property values have tripled since the opening of the park.
- Waterfront Park, Louisville Kentucky – This is an 85-acre public urban park along the Ohio River that was a former industrial site. Phase I was completed in 1998 and the final phase will be completed in 2011. The park was created by a multi-government agreement between the city, county and state.

Ms. Anthes stated that industrial waterfronts are being successfully reclaimed into vibrant public spaces.

The Detroit Riverfront Greenway would create a 5-mile linear park on the Detroit River from the Ambassador Bridge to the MacArthur Bridge. The Trust Fund application focuses on the West Riverfront area located west of the General Motors Renaissance Center. Once the land is developed, it will serve as a west-end anchor similar to the Tricentennial State Park's role in the East Riverfront area. The DNR began its commitment to Detroit's future with the Tricentennial State Park, and now the Tricentennial State Park and Detroit Riverfront Greenway Initiative can be our legacy to the citizens of Detroit and Michigan.

Ms. Anthes stated that with the DNR partnering with the Conservancy provides much strength. The Conservancy's strengths include:

- ❑ A mission to develop and improve the Detroit Riverfront and to provide public access for the community at large to the Detroit Riverfront.
- ❑ Maintain strong connections with Detroit's urban stakeholder groups.
- ❑ Developing an endowment fund to maintain and operate the Detroit Riverwalk.
- ❑ Programming the riverfront with signature and partnership programming that engages the community and draws public use, enthusiasm and support.
- ❑ Provide 24/7 security system throughout the riverwalk, including Tricentennial State Park.
- ❑ A commitment to connect the neighborhoods and residents to the riverfront.
- ❑ Secured multiple private property easements to ensure public riverfront access.
- ❑ Access to funding sources not available to the state (foundations, etc.).
- ❑ The Conservancy bridges multiple partners involved in securing, developing and maintaining the Detroit Riverwalk.

DNR strengths include:

- ❑ Ability to purchase and develop land via MNRTF.
- ❑ A mission through DNR and Parks and Recreation Division to provide access to and promote the use and enjoyment of Michigan's natural resources and to provide public recreation.
- ❑ Statewide programs support public enjoyment of natural resources and recreation.
- ❑ Access to statewide and federal sources, such as Land and Water Conservation Fund and Waterways Fund.
- ❑ Interpretive programming to connect people outdoors.
- ❑ The management and restoration of the world-class fishery in the Detroit River.

Through a partnership with the Detroit Riverfront Conservancy, the DNR aims to connect with and engage an urban population that does not fully utilize Michigan's natural resources by creating a "gateway" experience to discover Michigan's State Parks.

The Detroit Riverfront draws international, urban and suburban visitors. Millions of people are already coming to the Detroit riverfront for special events which provide an economic stimulus. Examples of events include fireworks at the International Freedom Festival (draws 800,000 people annually); River Days (over 500,000 in 2008 attended); and Red Bull event, an airplane race (750,000 attended).

The riverfront is open for public access free of charge, 24/7 and used by: local residents, office workers, commuters on bicycle, families, anglers, school groups and visitors to the City of Detroit.

Ms. Anthes further stated that it is the goal to create public greenway spaces on the Detroit Riverfront that endure through time. The opportunity is now. It is perfect timing as the property is available and ready for public space development. The partnership exists and the DNR and Conservancy share similar missions and goals for public access and recreation. Resources are available through the MNRTF and the DNR can provide acquisition funds. The Conservancy can fund the development and endow it for future maintenance.

Ms. Anthes stated that this is the time for the MNRTF to reinvest in southeast Michigan. She pointed out that the City of Detroit last received two acquisition grants in 1980 and 1981, and the only MNRTF acquisition awarded to Wayne County was in 1990. Wayne County is the 13<sup>th</sup> largest county in the country with 1.98 million people as of 2008. This is a great opportunity for the MNRTF to serve a significant population of Michigan. With the help of the MNRTF, the Tricentennial State Park and Detroit Riverfront Greenway Initiative will become a DNR legacy to the people of Michigan.

Mr. Tom Bailey, Executive Director, Little Traverse Conservancy

Mr. Tom Bailey, Executive Director, Little Traverse Conservancy made some comments regarding the economy and the need for economic stimulus. Thanks to the constitutional protection of the MNRTF by the State of Michigan and how the program was created and crafted in the 1970s, this year we will see the largest award of grant money in the history of the program – approximately \$45 million.

Mr. Bailey continued by stating that this creates a ready-made economic stimulus for Michigan. Most of the \$45 million will go into the real estate market, which is one of the most troubled segments of our economy. Twenty-five percent of the \$45 million will go to community recreational infrastructure, creating jobs and projects for the communities that will pay dividends for generations as people have full access to our natural resources.

Mr. Bailey stated that we should ask the Legislature, not just for land conservation and recreation, but for the sake of our state, to pass the MNRTF bill as early in the upcoming session as possible so these dollars can go into the economy right away. He stated that Little Traverse Conservancy is willing to assist staff in any way possible.

Land conservation is not only good business, it is good for business. There has never been a better time in the State of Michigan. The MNRTF is a shining example of how and why land conservation needs to be a part of everything we do here in Michigan.

Chairperson Garner added that there are complaints from grant recipients regarding the bill getting passed so late in the year. If the bill were passed earlier in the year, the funds could be spent sooner.

**Presentations regarding project scoring issues were made by the following communities:**

**Senator Michael N. Switalski – 08-086, Huron Park Accessibility Upgrade, City of Roseville**

*Scored 310. Supports 08-086, Huron Park Accessibility Upgrade, City of Roseville. This application was submitted last year and not funded. Improvements have been made to the application this year to enable the project to score higher.*

**Mr. Anthony J. Lipinski, Director, Parks and Recreation, City of Roseville – 08-086, Huron Park Accessibility Upgrade, City of Roseville**

*Scored 310. One of the items included in the application this year was the accessibility of the existing facility. The park is in desperate need of improvements, especially for accessibility. Included in the project is a 4500 linear foot walking path and expansion of a parking lot on the south area. The expansion of the parking lot would improve park safety. Another scope item is the installation of a skate park which is a highly requested recreation activity in the area.*

**Representative Gary McDowell – 08-074, Indian River Pathway Development, Tuscarora Township**

*Scored 0. Thanked the Board for their responsibility in recommending projects and that they do a good job. The Indian River Pathway Development project is very unique because of the walking path leading to the State Park and downtown Indian River. The real issue is for the safety of children as the school is located away from the downtown area and in a very congested intersection and a narrow bridge.*

Chairperson Garner mentioned that this project scored “0.”

**Mr. Harry Wierenga, Consultant, Fleis and VanderBrink Engineers – 08-074, Indian River Pathway Development, Tuscarora Township**

*Scored 0. There were some deficiencies identified during scoring by Grants Management staff. These have been resolved. One of them had to do with land control (MDOT right-of-way, Indian Lake School District property, and Burt Lake State Park property). Staff has received documents indicating where the controls are. There was also a question about the ability to cross the Sturgeon River. The Department of Environmental Quality has been contacted and they issued a letter stating there are no issues or any constraints that they see in the ability to cross the river. Also have had discussions with MDOT and they rate this project as viable and very high priority. MDOT completes their review on December 15.*

Chairperson Garner stated that he knows this area very well. When the MNRTF was created by the Legislature in 1976 and amended, there was a very strong natural resource component included. He does not see the natural resource component. It is taking care of the school safety problem. He wonders if the MNRTF is the program to go to for traffic and pedestrian safety.

Mr. Wierenga responded that safety was an important consideration for the project. The school campus happens to be one element that this connects. There also is the Gaylord to Cheboygan rail-trail and Burt Lake State Park which are key elements. There is the use of the resources of the Sturgeon River. The school is a secondary benefit as is the Shrine of the Cross and Cooperation Township Park. The pathway would connect resources that are extremely important in the area.

Chairperson Garner asked Ms. Apostol what the project would have scored if all information had been received. Ms. Linda Hegstrom responded it would have received a 290 score.

**Representative Steve Lindberg – 08-105, Iron Ore Heritage Trail Development, City of Ishpeming; 08-106, Republic Iron Ore Heritage Trailhead Acquisition, Republic Township; and 08-154, Superior Forest Partnership Project-Phase I, DNR**

*08-105 scored 385; 08-106 scored 255. Representative Lindberg has been involved with the Iron Ore Heritage Trail for some time and it is very unique. This is a 55 plus-mile trail that starts in Marquette and ends in Republic. Would be a multi-use trail and incorporate the iron ore heritage and museums, one that is run by the State of Michigan. He endorses the project and feels it would have great potential for not only a great trail system, but economic development. It was discovered that 700 people per day were using the trail between Ishpeming and Negaunee. This trail, once developed, will also find a lot of use and will bring a lot of economic development.*

*Scored 270. The Superior Forest Partnership project would give working forest conservation easements on approximately 14,500 acres of land. One of the problems with land in the Upper Peninsula is at one time it was owned by timber companies and was involved in the Commercial Forest Act. Everyone got to use it. Much of the land has now been purchased by real estate investment trusts and other forms of investment companies. The concern is that they will sell off some of the land and the trail development and access to properties will be greatly diminished. This purchase would ensure that a large part of a ski and multi-use trail (Noquemanon Trail) and part of the North Country Trail would be granted lifetime access over the properties.*

**Representative Michael Lahti – 08-098, L’Anse Area Schools Recreation Facilities, L’Anse Area Schools**

*Scored 260. Representative Lahti concurs with Representative Lindberg’s remarks regarding 08-154, Superior Forest Partnership Project-Phase I. This project is also in his district.*

*L’Anse Area Schools has a community-wide project to take some land and make it into a recreation area. This will include a soccer field, football field, track, two baseball fields, tennis court, basketball court, and nature trail for hiking, skiing and snowshoeing.*

**Mr. Bob Ford, Landscape Architect – 08-063, John W. Smith Park Development, City of Tecumseh**

*Scored 255. Mr. Ford pointed out an issue with score for “Population Served.” The population for Tecumseh is 8,574, but according to Mr. Sorise, Director of Parks and Recreation for the City of Tecumseh, he stated a lot of the surrounding communities do*

*not have recreation programs and use Tecumseh's. He estimates that the population served would be about 1.5 times the actual population of Tecumseh (12,000 to 16,000 served).*

*The other issue is the trail. It is part of a trail system that will eventually connect a variety of cities, Clinton and Tecumseh, in particular. Smith Park is adjacent to the trail and was indicated as an internal trail. The parking area that will be constructed in the development will serve as a trailhead and will serve the regional trail system.*

*Universal Access – the information regarding disabled persons is provided in the U.S. Census and the statistics include 17.8% of the population in Tecumseh proper have disabilities. This does not include the other surrounding cities and townships which do not have recreation programs, but use Tecumseh's.*

Mr. Charters asked about the "wildlife feeding stations" outlined in the application and wondered what that was. Mr. Ford stated that this was bird houses in particular.

**Representative Mary Valentine and Mr. Peter Homeyer, Interim Executive Director, Land Conservancy of West Michigan – 08-029, Meinert County Park Property Acquisition, Muskegon County**

*Scored 360. Representative Valentine stated that Meinert Park is in the northernmost part of her district and is right on Lake Michigan. The park has dunes, beaches and forests. An opportunity has come up to double the size of the park. The proposed property includes critical dunes, woodlands, wetlands and a small inland lake near Lake Michigan. If not acquired now, it could be developed. She invited the Board to visit Meinert County Park.*

Mr. Charters asked how large the acquisition was. Mr. Homeyer responded 95 acres. The current park is 89 acres. Mr. Charters asked if it was on Lake Michigan or on an adjacent parcel. Mr. Homeyer responded it was not on Lake Michigan but on an adjacent parcel.

Ms. Pollack asked about the entrance fee to the park and if it could be explained how this has been resolved. Mr. Homeyer responded that on the east side of the park there is a gate that has been designated for parking for those who want to access the park without paying the fee. This will also be established at this proposed portion of the parcel. The matching funding is well secured at this point and the county has had contact with the landowner. The parcel has a lot of exceptional critical dunes and very rugged terrain.

Mr. Muchmore asked about the fee access road to the park. Mr. Homeyer responded that the access road would be Meinert Park Road. It comes in east to west. There is a gate where a fee is paid to go into the park. There will be a trailway system where you can walk into the park. There are some summer resident developments down the road where a number of people walk in and out of the park daily at no cost.

Mr. Muchmore was concerned about providing MNRTF funding to buy a park that was not readily available to a citizen driving by who did not know anything about the park system, who did not know where the new purchase was and how to get access to it. He has a real concern about this. Representative Valentine responded that there are some

people who want to use the beach and pay an entrance fee, and those who want to hike go to the area where no fee is charged to enter the park. Meinert Park Road is a well-established road.

**Mr. Murdock Jemerson, Director, Parks and Recreation, City of Lansing; and Ms. Linda Appley, Vice-President, LENO (Lansing Eaton Neighborhood Organization) – 08-147, Hunter’s Ridge Land Acquisition, City of Lansing**

*Scored 350. Ms. Appley said the neighborhood is highly diverse. The neighborhood would like to keep Hunter’s Ridge safe from any future development. The property includes over 28 acres of property with 500 feet of frontage on the Grand River, providing habitat for deer, wild turkeys and waterfowl. She emphasized that this property would be wonderful for the school district. We need to keep this property “green” for future generations.*

**Mr. Dan Elliott, Project Consultant, City of Evart – 08-109, Riverside Park Improvements, City of Evart**

*Scored 190. One of the areas that the project did not receive many points for was “Past Practices” for grants. One was a very complex Land and Water Conservation Fund project conversion that involved the school district, the City of Evart, private parties and Nestle Water Company. To get pristine water, a number of things had to happen. Unfortunately, the deeds did not get transferred until this past October and have still not been returned from the Register of Deeds at this point. The trailway connected to the new facility that was acquired by Nestle and the high school in the downtown area. At the closing transaction Nestle brought forward a plan for a trailway and landscaped walk and mini-park for that area. That project will begin this spring*

*Another concern is that the extent of most of this grant would be used for a waterline to cross the Muskegon River and to service a fish cleaning station and that the overall plan would be for the development of a campground project. The waterline would serve the fish cleaning station, but it is also critical to the future development of the campground area.*

Ms. Pollack had a question about the water main. Mr. Elliott responded that this would be the river crossing, city water to the fish cleaning station and for the future campground. Ms. Pollack wondered if MNRTF funding has been used for water mains in the past. Chairperson Garner answered he did not think so. Ms. Pollack added that she is all for better water infrastructure, but she did not think that was consistent with the MNRTF’s mission.

**Ms. Suzanne M. Kayser, Economic Development, City of Flint; and Ms. Heidi Phaneuf, Associate Planner, Genesee County Metropolitan Planning Commission – 08-075, Grand Traverse Greenway Property Acquisition, City of Flint**

*Scored 385. Ms. Kayser appreciated Grants Management staff assistance with this application. This acquisition is for the development of a 3-mile regional trail extension that will connect to Riverbank Park in downtown Flint and the 12.5-mile Flint River Trail. There are many college students in the city and this will benefit them. Additional information on fishing opportunities has been provided. She has observed many people fishing in the area where the trail will begin.*

*Ms. Phaneuf stated that with this project there would be fishing access. The DNR biologist in the area has been contacted and he provided some additional information about the area. She provided a letter from the biologist for the Board's information.*

**Mr. Steve Puchovan, Supervisor, Almira Township – 08-015, Ann Lakefront Park Acquisition, Almira Township**

*Scored 335. Mr. Puchovan said match is totally secure. Also, the project originally was initiated by the Village of Lake Ann last year and there were a lot of political issues and questions raised regarding community support. He provided a petition of 900 signatures from local residents in support of the project. He thanked Ms. Hegstrom for her assistance to the township.*

**Ms. Julie Cowie, Clerk, Casco Township – 08-145, Casco Township Nature Preserve Acquisition-Phase II**

*Scored 375. Ms. Cowie thanked the Board for their recommendation of Phase I of this acquisition last year. She advised the Board that the parcel to the north of this property is now available for sale. It is larger than the 8.26 acres on Lake Michigan. The property would be for 10 acres with 400 feet of frontage. The township will be submitting an application for this property next year.*

Ms. Pollack asked if there was a fee to access the property. Ms. Cowie responded no.

**Mr. Eric Rutherford, Director of Parks and Recreation, Bridgeport Township; and Mr. Rob Edgars, Spicer Group – 08-088, Liberty Park Improvements, Bridgeport Township**

*Scored 295. One of the questions staff had was that there were only 17.5 years left on the lease on the property. The township has worked with the school district to extend the lease to 99 years. The lease does not expire until 2125. Staff also wanted to see the investment from the ISD. The Saginaw ISD has constructed a portion (he pointed out areas). Staff also had questions on the site plan that was originally submitted. The property has been surveyed for the boundary and topographics since the last time he was before the Board. A copy of the deed and site plan was provided.*

*Mr. Rutherford said the township initially scored a perfect 30 points on the Universally Accessible Initiative. When they received their score again there was a 5 point reduction. The project will also be utilized by people who do not have a disability. The local match is secure.*

Mr. Charters said on the report it appears that hunting would be allowed. Mr. Rutherford responded that there is no hunting.

**Mr. Mark Emmendorfer, Supervisor, Montrose Township – 08-032, Barber Memorial Park Improvements, Montrose Township**

*Scored 295. Mr. Emmendorfer stated that seven or eight years ago, the MNRTF Board provided a grant to establish the Barber Memorial Park, which is the jewel of the community, with walkers and events taking place in the park. Walleye fishing is great in*

*the township and this fact is known throughout the state. Since this is a rural community, it is important that residents do not have to travel to have a recreation area.*

*Also, under "Site Quality", number 3, it says that the picnic area near the river is not accessible. There are picnic tables that are located in between the walkway and the Flint River. They are not handicapped accessible yet, however, this grant would address that. The township also wants to put in a boat launch site. There is no boat launch site within 50 miles of Montrose Township.*

*The township's application was scored lower for "Project Quality" as more shade was needed over the play structure. There is a 50-foot pavilion that is within 50 feet of the play structure right now.*

**Mr. Chris Youmans, Superintendent, Jackson County Parks Department – 08-085, Sparks County Park Urban Fishing Project**

*Scored 315. Mr. Youmans said under "Site Quality", it was noted that the pond required dredging and engineering. As of November 28, 2008, the county has submitted to the Department of Environmental Quality the engineering and dredging application for the site. The county also has several contractors that are on board to do the work. The work should be completed by next fall.*

*Comments under "Project Quality" it was stated that the parking lot is some distance from the site. It is actually 61 feet away from a paved 200 x 500 foot parking lot. The county had the Director of Disability Connections, which is the Facilitators for Disabled People in Jackson County, come out to observe the parking lot and he said that is the closest he has seen a parking lot to a proposed fishing site. The parking lot is large enough that it will allow bus traffic to bring children in for field trips.*

Chairperson Garner asked if the county has an active fishing program. Mr. Youmans responded that the last active fishing program was in 1980-81. The county would like to develop one. The dredging is being done because the water temperature for that particular pond is upper 40s and lower 50s so it will support trout.

Ms. Pollack asked if there were entrance fees. Mr. Youmans responded no.

**Mr. Tom Woiwode, Director, Community Foundation for Southeast Michigan – Meridian Township**

*Wanted to express his support for the Lake Lansing Park in Meridian Township.*

Chairperson Garner read a letter from Natural Resources Commissioner John Madigan into the record. Commissioner Madigan wanted to go on record as supporting the South Elberta Dunes Natural Area Acquisition (08-034, Village of Elberta). It is an acquisition of 58 acres with 1,425 feet of Lake Michigan frontage. It is his understanding that the property will be open for hunting.

**Ms. Suzanne Schwing, Project Coordinator, Village of Onekama – 08-045, Portage Lake Wetlands Acquisition, Village of Onekama**

*Scored 0. Ms. Schwing said that the village had a good score and then were given a 0.*

Chairperson Garner read the comment on the report as to why the project scored 0: "The project is ineligible because applicant does not have the required matching funds secured."

*Ms. Schwing stated that the village will have the match, but does not at this time. Chairperson Garner responded that unfortunately the village needs to have this in place. Ms. Schwing stated that the 25% match has been requested from the Michigan Department of Transportation (Transportation Enhancement Grant) and from a communication with them, they follow what the MNRTF Board recommendation is. Chairperson Garner asked Ms. Hegstrom to review this issue and get back to the Board in the morning.*

Mr. Muchmore commented on transportation funding. When transportation funding interests decided that one of the ways that they are going to get money is to take money away from the MNRTF for non-natural resource related activities, this is not acceptable to him or his organization. He and his organization will do everything they can to fight the degradation of the MNRTF resources. The recent proposal to take transportation funding and use money out of the MNRTF for non-natural resource activities is just not acceptable. The people here tonight should be telling their legislators about this issue. This constitutionally protected MNRTF funding source is under assault and we cannot allow them to do so.

Ms. Pollack is sympathetic with communities who have lost revenue sharing and are trying desperately to figure out their needs. The Board needs to stick to projects that speak to the mission of the MNRTF. She is an advocate in investing in the infrastructure, but the MNRTF is for certain types of projects. Perhaps the federal government will provide money to local units of government to meet infrastructure needs, including transportation needs.

The December 2, 2008 evening session concluded at 8:40 PM.

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The regular meeting of the MNRTF Board of Trustees commenced at 9:05 AM, December 3, 2008.

The following Board members were present:

Keith Charters  
Bob Garner  
Dennis Muchmore  
Lana Pollack  
Frank Torre (9:45 AM via conference call)

Mr. Torre will be joining the meeting later via conference call.

Also in attendance were various staff members of the DNR and other interested parties.

I. ADOPTION OF MINUTES FOR MEETING OF OCTOBER 15, 2008.

Chairperson Garner called for the adoption of the minutes from the October 15, 2008 Board meeting.

**MOVED BY MS. POLLACK, SUPPORTED BY MR. CHARTERS, TO APPROVE THE MINUTES OF THE OCTOBER 15, 2008 MNRTF BOARD MEETING. PASSED.**

II. ADOPTION OF AGENDA FOR MEETING OF DECEMBER 3, 2008.

Chairperson Garner called for the adoption of the agenda for the December 3, 2008 Board meeting.

Ms. Pollack requested that under “Old Business,” Item 1, that development projects be recommended before acquisition projects.

**MOVED BY MS. POLLACK, SUPPORTED BY MR. CHARTERS, UNDER “OLD BUSINESS”, ITEM 1, THAT DEVELOPMENT PROJECTS BE RECOMMENDED BEFORE ACQUISITION PROJECTS. PASSED.**

III. PUBLIC APPEARANCES.

Mr. John Pridnia – 08-056, Veterans Waterfront Park Improvements, Village of Port Austin

Mr. John Pridnia, representing the Village of Port Austin, thanked the Board for their patience and consideration. He also wished to thank DNR staff for all their assistance. The village is pleased with their ranking on the list for funding.

Mr. Pridnia also mentioned Mr. Tom Bailey’s comments last night regarding the MNRTF. This grant means so much to the small community of Port Austin for not only recreational opportunities, but economically as well.

Mr. Pridnia also stated that if this project is approved, he will see to it that accurate and proper signage is included on the site to compliment the MNRTF.

Ms. Susan Lackey, Executive Director, Washtenaw Land Trust – 08-128, Waterloo Recreation Land Initiative, DNR

Ms. Susan Lackey, Executive Director, Washtenaw Land Trust, made a presentation in support of 08-128, Waterloo Recreation Land Initiative acquisition project that was submitted by the DNR for possible funding.

Over 50% of the state’s population is within 90 minutes of the Waterloo Recreation Area which has been unaffected by residential development. Given the continued economic challenges in the state, this area might be the closest to an “up north” experience.

Waterloo Recreation Area supports a lot of outdoor interests – traditional hunters and anglers share space with hikers, bird watchers and mountain bikers – and endangered species coexist with day users and the family campers.

Ms. Lackey is also encouraged by the Michigan United Conservation Clubs (MUCC) relationship with Mill Lake and Cedar Lake camps to bring a new generation of conservation out to these facilities to learn about wildlife and outdoors.

Ms. Lackey further stated that this is a priority area for her organization and for southeast Michigan.

Mr. Muchmore made some comments on the camps. MUCC has an agreement with the Michigan State Building Trades to rebuild Cedar Lake camp. Depending on the economy, Mill Lake camp is also to be rebuilt. He also stated that none of this would have been possible without the partnership effort with the DNR and Michigan International Speedway in Brooklyn's involvement.

At this point, Chairperson Garner introduced Director Rebecca Humphries and Resource Management Deputy Mindy Koch to the audience. Ms. Apostol introduced Grants Management staff and Chief of Staff Rodney Stokes.

Mr. Todd Scott, Detroit Greenways Coordinator, Michigan Trails and Greenways Alliance

Mr. Todd Scott, Detroit Greenways Coordinator, Michigan Trails and Greenways Alliance, stated that he is the new Detroit Greenways Coordinator. His role is to help support and develop greenways and trails in the City of Detroit and to develop a greenway network throughout the entire City of Detroit, as well as the cities of Hamtramck and Highland Park. This goal is created by the Detroit Greenways Coalition, made up of 15 stakeholder groups of community development corporations, Detroit Riverfront Conservancy, university and cultural center associations and different communities. The goal is for a 70-mile greenway network.

Mr. Scott stated that the Detroit City Council has endorsed their non-motorized master plan and greenways this year. The Alliance has worked with the Department of Transportation to get a grant to get bike bus racks. The Alliance has also worked to reduce trail liability costs.

There is a request in the Foundation for \$2 million a year and it is hoped to use that for operation and as match for future grants. The Alliance is also working with the Kellogg Foundation to change Detroit's policies to promote more "green," active lifestyles and trails. In addition, the Alliance is working on a Detroit Greenways brochure. The Alliance is also working with the City of Detroit and Wayne County to get the non-motorized master plan implemented. This would be for 400 miles of bike lanes and is a key component to connect the greenways.

At this point, Chairperson Garner asked Chief of Staff Rodney Stokes to outline how much money was available for funding projects this year. Mr. Stokes responded that Mr. Joe Frick, Chief of the Office of Financial Services, will be providing this information.

Mr. Frick stated that there is good news and bad news in terms of MNRTF revenues. The good news is that there is an unusually high amount of oil and gas revenue -- \$92.4 million. This is the total amount of oil and gas revenue that was credited to the MNRTF in Fiscal Year 2008. One-third of the revenue is available to spend for acquisition, development, operating costs and payments in-lieu of taxes -- \$30.8 million. Ten million

dollars is transferred each year to the State Park Endowment Fund. This leaves a balance of \$51.6 million to be added to the principle of the MNRTF, which is now up to \$370 million. This leaves \$130 million away from the cap of \$500 million. If revenues go back to normal, this means the cap will be reached sometime in the middle of the next decade.

Added to the \$370 million balance was \$8.4 from the Stabilization Reserve (established by the MNRTF Board in 2003). This gives a total investment balance of \$380 million as of September 30, 2008.

Mr. Frick further stated that how the Stabilization Reserve works is basically it receives two primary funding sources, which is project lapses and investment revenues. Normally the amount of \$2.3 million shown in red on the report provided to the Board should be around \$20 million in the black. It is hoped that we can see a return on investments somewhere in the area of 6.5% by investing in a mix of equities and fixed income investments. Because of the stock market decline between June and September, the MNRTF lost money on its investments for Fiscal Year 2008. The prior year adjustment, which was a 2007 Board directive to spend a portion of the funds in the Stabilization Reserve, was a negative \$1.9 million.

Mr. Frick outlined the 5% spending. Instead of spending interest, dividends, and realized gains (losses), we level the spending at 5% annually of the investment balance. Even though there were losses in Fiscal Year 2008, the MNRTF is still able to spend \$17 million because of the Stabilization Reserve. If not for the reserve, the MNRTF would not have spent anything from investment income this year. Because we had investment losses and still are making 5% available for spending, the \$26 million in the reserve last year is now down to \$8 million.

Just to understand the 5% spending, if you take \$319 million, which was the beginning balance, multiple that by 5% and then add 5% of the \$26 million of the beginning balance of the Stabilization Reserve, that is how the \$17 million is reached. At one point this year, it was being predicted that the \$17 million might exceed the amount of one-third of the oil and gas revenue, but then prices and royalties went higher.

Mr. Frick stated that we are looking forward to the future, assuming that it goes back to a more normal level of oil and gas revenue, that the spending from investment earnings will be the primary funding source of the MNRTF. After the MNRTF hits the cap of \$500 million, all of the oil and gas revenue will go into the Park Endowment Fund.

Mr. Charters said since the Board changed the policy several years ago on where the monies would be invested, and now the MNRTF is being criticized because investments are down, he would like to go back to when Commissioner Bill Parfet spearheaded the investments to see the cumulative figures. Mr. Frick responded that we had been doing quite well. The losses in the stock market are unprecedented. The Department of Treasury does charts and graphs showing 2% deviations and we are well above this deviation difference right now as to where the stock market is. There is a presentation scheduled tomorrow (December 4) at the Natural Resources Commission Subcommittee meeting by the Department of Treasury, so there will be an investment update for all the DNR funds. Mr. Charters wondered if there could just be an isolation of the MNRTF funding that could be outlined at the February 2009 meeting. Mr. Frick responded that would be a good idea.

Ms. Pollack stated that she did not realize that the Stabilization Reserve was treated identically to the corpus, which is to say it gets invested in the same way and it also has the 5% draw. Mr. Frick responded that is correct. Ms. Pollack stated that the Board may consider revisiting the investments. Mr. Frick said that right now the safest investments are government securities and short-term notes that are not yielding very well at this time.

Ms. Pollack stated that when the MNRTF Board makes their recommendations today, \$51 million will have been committed. The draw on this money can be very slow. She wondered what happens to this money. Mr. Frick responded this money is held in the state's common cash fund and we do receive interest on it. The common cash fund is invested in prime commercial paper, so it yields roughly what a money market fund would yield. Right now that money is earning about 2.5%. Ms. Pollack asked if this money allocated for projects was combined with the other investments. Mr. Frick responded no.

Ms. Pollack just wanted to make sure that the MNRTF Board could honor their commitments for funding recommended projects for 2008.

Mr. Charters stated that the Natural Resources Commission Subcommittee meeting mentioned by Mr. Frick, which will begin at 1:30 PM tomorrow, is open to the public in the event Board members wish to attend. Mr. Frick mentioned that the materials that the Department of Treasury will provide will be on the Internet as well.

At 9:45 AM, Mr. Torre joined the meeting via conference call.

#### IV. OLD BUSINESS.

#### 2008 MNRTF Acquisition and Development Applications – FINAL STAFF RANKING

Chairperson Garner stated that there will be \$48.5 million in total MNRTF funds available for 2008 projects. He informed the audience that the Board does not go strictly down the list of projects as ranked by staff. The Board looks at the aspects of all projects that have been submitted and then make their recommendations.

As per the amendment of the agenda order, development projects will be recommended first.

**MOVED BY MR. CHARTERS, SUPPORTED BY MR. TORRE (VIA PHONE),  
TO APPROVE DEVELOPMENT PROJECTS, AS FOLLOWS:**

**08-079, CITY OF NILES, RIVERFRONT AND PLYM PARK TRAIL  
DEVELOPMENT - \$170,500**

**08-016, OSCODA TOWNSHIP, OSCODA BEACH PARK OBSERVATION  
AND FISHING PIER - \$460,000**

**08-043, PORT HURON TOWNSHIP, BAKERS FIELD PARK DEVELOPMENT –  
\$282,200**

**08-068, CITY OF SAULT STE. MARIE, ROTARY PARK DEVELOPMENT –  
\$299,700**

08-013, CITY OF ST. IGNACE, CHIEF WAWATAM PARK DEVELOPMENT –  
 \$134,000  
 08-033, HURON-CLINTON METROPOLITAN AUTHORITY, KENSINGTON  
 METROPARK-MILFORD TRAIL CONNECTOR - \$315,000  
 08-073, INGHAM COUNTY, BURCHFIELD PARK FISHING DOCK  
 DEVELOPMENT - \$60,000  
 08-120, ALPENA TO CHEBOYGAN STATE RAIL-TRAIL SURFACE  
 IMPROVEMENTS, DNR - \$500,000  
 08-024, CITY OF IRON MOUNTAIN, MILLIE MINE BAT VIEWING SITE TRAIL  
 - \$158,400  
 08-121, OCQUEOC FALLS TRAILHEAD AND SCENIC OVERLOOK  
 IMPROVEMENTS, DNR - \$500,000  
 08-107, BARRY COUNTY, McKEOWN BRIDGE PARK DEVELOPMENT –  
 \$215,300  
 08-105, IRON ORE HERITAGE TRAIL DEVELOPMENT, CITY OF ISHPEMING  
 - \$354,800  
 08-124, BALD MOUNTAIN SHOOTING RANGE DEVELOPMENT, DNR  
 - \$500,000  
 08-133, INLAND FISHING PIERS IN STATE PARK AND RECREATION  
 AREAS, DNR - \$250,000 (REDUCED FROM \$500,000)  
 08-001, ORIOLE PARK SITE DEVELOPMENT, CITY OF WYOMING –  
 \$378,900  
 08-054, REEDS LAKE WATERFRONT PARK DEVELOPMENT, CITY OF  
 EAST GRAND RAPIDS - \$490,000  
 08-014, VAN CLEVE PARK HARBOR POINT REVITALIZATION, CITY OF  
 GLADSTONE - \$100,000  
 08-092, JONES LANDING PARK DEVELOPMENT, BEAR CREEK TOWNSHIP  
 - \$487,600  
 08-060, ROLLING HILLS PARK ACCESSIBILITY ENHANCEMENTS,  
 WASHTENAW COUNTY - \$96,000  
 08-005, SHARP PARK EAST-WEST COLLECTOR PATH, DELTA TOWNSHIP  
 - \$244,700  
 08-028, PERKINS PARK IMPROVEMENTS, MARQUETTE COUNTY  
 - \$198,400  
 08-076, EAST GRAND RIVER PARK IMPROVEMENTS, CITY OF GRAND  
 HAVEN - \$300,000  
 08-056, VETERANS WATERFRONT PARK IMPROVEMENTS, VILLAGE OF  
 PORT AUSTIN - \$500,000  
 08-113, SANDY BEACH COUNTY PARK IMPROVEMENT, NEWAYGO  
 COUNTY - \$267,500  
 08-004, LIONS CLUB PARK NATURE TRAIL, CALUMET TOWNSHIP –  
 \$20,400  
 08-058, GIBSON LAKE PARK IMPROVEMENTS, CRYSTAL FALLS  
 TOWNSHIP - \$179,500  
 08-125, RAM CENTER IMPROVEMENTS, DNR - \$500,000  
 08-085, SPARKS COUNTY PARK URBAN FISHING PROJECT, JACKSON  
 COUNTY - \$360,000  
 08-104, THOMAS ROCK SCENIC OVERLOOK, POWELL TOWNSHIP –  
 \$319,100  
 08-110, LIONS FIELD PARK POOL HOUSE IMPROVEMENTS, CITY OF  
 ALGONAC - \$255,100

- 08-065, HAWK NEST PARK DEVELOPMENT, CITY OF EAST LANSING – \$262,500
- 08-035, HIAWATHA ROTARY SKATE PARK, CITY OF IRONWOOD – \$46,300
- 08-051, STEARNS PARK BREAKWALL IMPROVEMENTS, CITY OF LUDINGTON - \$125,300
- 08-086, HURON PARK ACCESSIBILITY UPGRADE, CITY OF ROSEVILLE – \$320,800
- 08-038, GATEWAY PARK RENOVATION, CITY OF TAWAS CITY - \$134,000
- 08-042, SUNDAY LAKE TRAIL AND EDDY PARK IMPROVEMENTS, CITY OF WAKEFIELD - \$147,700
- 08-081, McCORMICK PARK IMPROVEMENTS, CITY OF WILLIAMSTON – \$391,100
- 08-089, BELL CREEK PARK NON-MOTORIZED TRAIL, REDFORD TOWNSHIP - \$450,000
- 08-040, CLINTON RIVER TRAIL PEDESTRIAN BRIDGE, CITY OF PONTIAC - \$485,000
- 08-011, PORTLAND TRAIL CONNECTOR LOOP, CITY OF PORTLAND – \$284,800
- 08-066, BALDWIN LAKE BEACH IMPROVEMENTS, CITY OF GREENVILLE – \$277,900
- 08-118, BUILDING DEMOLITION INITIATIVE 2008, DNR - \$250,000  
(REDUCED FROM \$500,000)
- 08-130, STATE PARK INFRASTRUCTURE REPAIRS, DNR - \$350,000  
(REDUCED FROM \$500,000)
- 08-039, ANDERSEN WATER PARK REPURPOSING PROJECT, CITY OF SAGINAW - \$480,000

**MOTION APPROVING DEVELOPMENT PROJECTS PASSED.**

At this point, the acquisition projects were discussed for recommendation. Chairperson Garner asked for a motion to approve.

**MOVED BY MS. POLLACK, SUPPORTED BY MR. MUCHMORE, TO APPROVE ACQUISITION PROJECTS, AS FOLLOWS:**

- 08-023, HUNTER’S POINT PARK ACQUISITION-PHASE II, GRANT TOWNSHIP - \$720,000
- 08-145, CASCO TOWNSHIP NATURE PRESERVE ACQUISITION-PHASE II - \$668,800
- 08-153, PIGEON RIVER COUNTRY ACQUISITION INITIATIVE, DNR – \$1,000,000 (REDUCED FROM \$1,500,000)
- 08-122, WOLF CREEK CORRIDOR AND FLOODING COMPLEX ACQUISITION, DNR - \$3,300,000
- 08-123, MANISTEE RIVER DEERYARD AND BOG COMPLEX, DNR – \$600,000
- 08-127, MITCHELL STATE PARK BEAR MARSH, DNR - \$500,000
- 08-111, ACADEMY PRESERVE ACQUISITION-PHASE I, MONROE COUNTY - \$1,192,000 (PROJECT WILL BE PHASED; TOTAL REQUEST WAS \$2,192,500)

08-142, MICHIGAN AIR-LINE RAILWAY ACQUISITION, WEST BLOOMFIELD TOWNSHIP - \$1,452,500

08-134, NORTHERN LOWER PENINSULA ECO-REGIONAL LAND CONSOLIDATION, DNR - \$1,000,000 (REDUCED FROM \$2,000,000)

08-139, CADE LAKE COUNTY PARK EXPANSION PROJECT, ST. JOSEPH COUNTY - \$79,500

08-126, SOUTHEAST MICHIGAN ECO-REGIONAL LAND CONSOLIDATION, DNR - \$4,000,000 (INCREASED IN ORIGINAL REQUEST OF \$1,500,000)

08-116, SOUTHWEST LOWER PENINSULA ECO-REGIONAL LAND CONSOLIDATION, DNR - \$500,000 (REDUCED FROM \$1,500,000)

08-129, MITCHELL CREEK LAND ACQUISITION, DNR - \$1,000,000

08-010, SKYLINE TRAIL ACQUISITION, CITY OF PETOSKEY - \$99,000

08-119, UPPER PENINSULA ECO-REGIONAL LAND CONSOLIDATION, DNR - \$500,000 (REDUCED FROM \$2,000,000)

08-149, CASCADE NATURAL PARK ACQUISITION, CASCADE TOWNSHIP - \$1,200,000 (REDUCED FROM \$2,200,000)

08-138, LAKE LANSING PARK NORTH EXPANSION, INGHAM COUNTY - \$1,982,200

08-075, GRAND TRAVERSE GREENWAY PROPERTY ACQUISITION, CITY OF FLINT - \$525,000

08-143, EMMET COUNTY/MAPLE RIVER ACQUISITION, EMMET COUNTY - \$675,000

08-034, SOUTH ELBERTA DUNES NATURAL AREA ACQUISITION, VILLAGE OF ELBERTA - \$1,158,800

08-029, MEINERT COUNTY PARK PROPERTY ACQUISITION, MUSKEGON COUNTY - \$428,300

08-147, HUNTER'S RIDGE LAND ACQUISITION, CITY OF LANSING - \$785,300

08-128, WATERLOO RECREATION LAND INITIATIVE, DNR - \$2,500,000

08-015, ANN LAKEFRONT PARK ACQUISITION, ALMIRA TOWNSHIP - \$478,100

08-141, WHITE PARK EXPANSION #1, CITY OF EAST LANSING - \$429,000

08-144, SLOAN PROPERTY PARKLAND ACQUISITION PROJECT, SCIO TOWNSHIP - \$1,405,000

08-021, YOUTH SPORTS PARK ACQUISITION, CITY OF DOWAGIAC - \$100,000

08-140, WHITE PARK EXPANSION #2, CITY OF EAST LANSING - \$65,800

08-012, EVERGREEN PARK ADDITION, SANILAC COUNTY - \$79,600

08-062, NORTH STANABACK PARK ACQUISITION, CITY OF KENTWOOD - \$85,000

08-155, GRAND RIVER EDGES RAIL-TRAIL ACQUISITION, DNR - \$850,000

08-095, ACME WATERFRONT PARK ACQUISITION-PHASE I, ACME TOWNSHIP - \$3,006,200

08-151, SILVER CREEK AREA YOUTH SPORTS PARK, SILVER CREEK TOWNSHIP - \$100,000

08-106, REPUBLIC IRON ORE HERITAGE TRAILHEAD ACQUISITION, REPUBLIC TOWNSHIP - \$32,300

08-148, EAST HOUGHTON GREENSPACE PROPERTY ACQUISITION, CITY OF HOUGHTON - \$22,000

**08-102, VETERANS PARK AND KIWANIS PARK ADDITION, CITY OF  
BANGOR - \$37,800**

**MR. CHARTERS ABSTAINED FROM VOTING ON THE ACQUISITION  
PROJECTS AND LEFT THE MEETING ROOM. IF ONE OF THE PROJECTS  
IS PASSED BY THE BOARD FOR FUNDING (ACME TOWNSHIP), THERE  
WOULD BE A CONFLICT OF INTEREST ON HIS PART.**

**MOTION APPROVING ACQUISITION PROJECTS PASSED.**

Chairperson Garner commented on 08-154, Superior Forest Partnership Project, DNR. He has mixed emotions regarding this project, but he would like to see this added to the recommendations. As Chairperson he does not get to vote. He understands there are some other funds that could be put into this project. He would appreciate it if a Board member would make a motion to include this project.

Ms. Pollack was not in favor of approving funding for this project. There is no development pressure. If the seller were willing to protect the hemlock and about 2700 acres that has extraordinary value, she would vote to fund this project. If this project is going to be used to continue to lumber, she does not think the MNRTF should be supporting an economic development project that is not essentially protection. She does not want to see the hemlock go to a biomass station. There is nothing in writing that would prevent that from happening.

Chairperson Garner stated that he is vitally concerned that the deeryards are protected. This should be worked out. Hemlocks are absolutely vital.

**MOVED BY MR. TORRE (VIA PHONE), SUPPORTED BY MR. MUCHMORE,  
TO ADD 08-154, SUPERIOR FOREST PARTNERSHIP PROJECT, DNR,  
TO THE ACQUISITION LIST FOR FUNDING IN THE AMOUNT OF \$3,000,000  
(REDUCED FROM \$5,313,300). MS. POLLACK VOTED NO. MOTION  
PASSED THREE TO ONE VOTE (MR. CHARTERS HAD RETURNED TO  
MEETING).**

At this point, Mr. Torre left the meeting.

**2009 Meeting Dates and Locations**

Ms. Apostol outlined the 2009 meeting dates and locations. A May meeting has been identified to meet in conjunction with the Natural Resources Commission. The meeting location will be in the Detroit area. The May meeting will replace the traditional April MNRTF meeting. The June meeting will be in St. Ignace. The October meeting will also be located in the Detroit area. All other dates will be in Lansing.

The meeting dates for 2009 will be as follows:

February 4  
May 6  
June 17  
August 19  
October 21

December 1 (evening meeting)  
December 2 (regular meeting)

**MOVED BY MR. MUCHMORE, SUPPORTED BY MR. CHARTERS, TO  
APPROVE THE 2009 MNRTF BOARD MEETING DATES AND LOCATIONS.  
PASSED.**

V. NEW BUSINESS.

TF98-007, Hartland Township – CONVERSION

Ms. Apostol stated that Mr. James Wickman, Township Manager, Hartland Township, is in attendance today to discuss the Hartland Township conversion. This proposed conversion is for 12.22 acres of 65 acres acquired in 2001 with MNRTF assistance of \$345,000.

The purpose of the conversion is to convey a portion of the site to the Michigan Youth Soccer Association for the development of a training facility. The original acquisition called for access to the waterfront. The township has proposed a replacement of 16.5 acres adjacent to the new township complex on Clark Road. The new replacement property does not include any water frontage, but is located in an area of more concentrated residential development.

The township has also proposed to return the grant percentage of the current fair market value of the entire MNRTF-assisted acquisition, which would essentially terminate the original grant. The grant percentage listed in the project agreement is 40% of actual costs, not to exceed \$345,000.

Staff recommends that the Board approve the mitigation for this conversion by requiring the township to repay 40% of the current fair market value of the original 65 acres. The amount to be repaid is contingent upon a DNR-approved appraisal.

Mr. Charters wondered when the value of the property is looked at, is it the value of the 12.22 acres or is it the whole property with lake frontage. Ms. Apostol responded that this conversion would allow the township to return the grant money and all obligations would be the township's. The MNRTF would not be involved at all. The money returned would be based on a fair market value appraisal. Mr. Charters wanted to make sure the appraisal would reflect the lake frontage and not the 12.22 acres.

Mr. Muchmore expressed some concerns regarding the conversion, in particular the water access. One of the reasons for funding this project was to provide public access to water.

Mr. Stokes stated that Mr. Jim Wood, Manager of Grants Management, had been working with the township on this conversion. From conversations with Mr. Wood, the project was recommended for funding based on water access. The public has not been allowed on the lake and the township had no plans to develop access. With the conversion of the 12.22 acres to the Michigan Youth Soccer Association, there still would not be development to the lake for public access. Since the MNRTF purchased the property for public access and now the public will not get access, it is our recommendation that the MNRTF have the township repay the grant. We can take the

returned grant money and invest in other recreation projects. The project will be appraised at the fair market value today. The township would repay 40% of the current fair market value of the original 65 acres.

Mr. James Wickman, Township Manager, Hartland Township, made some comments regarding the conversion. The original application for acquisition provided a concept site development plan. That plan included some walking trails, conservation areas through the wetlands in and around Bullard Lake. This was all outlined in the original application. There was no mention of any docks or public swimming areas, not that the township would prohibit canoeing or kayaking. The project was to basically enjoy the natural areas of the lake.

Mr. Wickman continued by stating that the township is requesting the conversion of 12.22 acres. The township proposed 16.5 acres of property adjacent to the township complex, but it does not include any water frontage. In talking with Mr. Wood, the preference for the conversion was that the property include some water access to Bullard Lake. That presented some problems for the township. Mr. Wood thought since the township was asking for a conversion, it would be an appropriate time to meet one of the Board's goals to enhance the lake access. Based on Mr. Stokes' comments, that would be a problem for the township. Bullard Lake is an artificial lake that is held back by some questionable berms and a dam that no one claims to own. The Department of Environmental Quality has been involved. There has been a lack of interest from the residents to try and do something about the lake improvement or to do special assessments.

Mr. Wickman concluded by stating that based on Mr. Stokes' comments it would be more appropriate for the township to return the grant money as proposed.

**MOVED BY MS. POLLACK, SUPPORTED BY MR. CHARTERS, TO APPROVE THE STAFF RECOMMENDATION FOR CONVERSION OF TF98-007, HARTLAND TOWNSHIP, TO APPROVE MITIGATION BY REQUIRING THE TOWNSHIP TO REPAY 40% OF THE CURRENT FAIR MARKET VALUE OF THE ORIGINAL 65 ACRES. THE AMOUNT TO BE REPAYED IS CONTINGENT UPON A DNR-APPROVED APPRAISAL. MR. MUCHMORE VOTED NO. MOTION PASSED BY TWO TO ONE VOTE.**

#### Election of Chairperson for 2009

**MOVED BY MR. CHARTERS, SUPPORTED BY MR. MUCHMORE, TO APPOINT MS. POLLACK AS CHAIRPERSON OF THE MNRTF BOARD FOR 2009. PASSED.**

#### "Listening Sessions" Update – Dr. Chuck Nelson, Department of Community, Agriculture, Recreation and Resource Studies, Michigan State University

Dr. Chuck Nelson, Department of Community, Agriculture, Recreation and Resource Studies, Michigan State University, made a PowerPoint presentation on the "Listening Sessions" with Distressed Communities that were recently held. These sessions were requested by Chief of Staff Stokes.

The sessions were done as the number of communities participating in the MNRTF and recreation planning process has declined since the 2003-2008 State Comprehensive Outdoor Recreation Plan (SCORP) was prepared. Communities chosen were economically distressed. Concerns expressed at the sessions included:

- ❑ Lack of match.
- ❑ Lack of money for planning.
- ❑ Perceived complexity in planning and grant application.
- ❑ Lack of operations money.
- ❑ Perceived minimal chance of success for traditional community recreation facility related development grants.

The approach used for the sessions was to invited communities classified by the Michigan State Housing Development Authority (MSHDA) as distressed to a two-hour meeting. The meetings were facilitated by Dr. Nelson and Grants Management staff attended as resource persons. Meetings were held in six different locations in the state: Marquette, Roscommon, Muskegon, Saginaw, Taylor, and Kalamazoo.

Findings from the meetings were:

- ❑ Communities confirmed initial concerns regarding match.
- ❑ Many noted the condition of local park and recreation infrastructure is deteriorating and many need major renovation.
- ❑ Some were concerned with recreation brownfields.
- ❑ There was concern about lack of funds to maintain existing facilities, let alone create and manage a new one.

Suggestions made for improvements to the community outdoor recreation planning process include:

- ❑ Simplify the plan format.
- ❑ Allow community park and recreation plans to have a longer life.
- ❑ Benefit from expertise/service of regional planning entities.
- ❑ For the DNR to provide a template of a model community park and recreation plan.

Suggestions made for improvements to grant applications and the grant process include:

- ❑ Have a small development grant program, like the Small Acquisition Grants (SAG) with a higher chance of success.
- ❑ Have a mini-grant program with less application challenges.
- ❑ Cover a higher percentage of engineering costs with grants.
- ❑ Decrease the percentage of match necessary.
- ❑ Emphasize that the Americans with Disabilities Act (ADA) is not absolute for all aspects of a recreational opportunity, for example a cross-country ski trail.

Suggestions made for improvements of grant application scoring include:

- ❑ Provide points for lack of alternatives in area, not just population served.
- ❑ Provide points for first MNRTF development, not only for first MNRTF grant.
- ❑ Provide points for counties that provide minerals other than energy minerals.

- ❑ Provide points for development that promotes health, such as walkable community trailways.
- ❑ Provide points for communities classified as distressed by MSHDA.
- ❑ Provide points for having a formal park and recreation administrative structure, such as a park and recreation commission.
- ❑ Revise MNRTF stand to discouraging fees as fees are a necessity for more local units to have park and recreation services survive.
- ❑ Provide points for development of recreational environments that are targeted to positive opportunities for youth.
- ❑ Allow use of “old” match, not just match during the performance period as assistance often won’t “wait” for years.
- ❑ Shorten time between grant application and project agreement.
- ❑ Continue to provide preliminary review.
- ❑ Allow use of a pre-proposal so communities won’t expend significant time and money on an unfundable project.
- ❑ Provide opportunities for development grants for major renovation, not just building new facilities.
- ❑ Expand grant workshops and use personnel from successful communities as well as Grants Management staff to provide information.

Dr. Nelson stated that the MNRTF Board and the DNR have a unique opportunity. The prospects of additional resources in the MNRTF due to high energy prices and potential of additional monies in the future from other mineral extraction are very good. There is the opportunity to meet a broader range of needs, be more inclusive, try experimental approaches and not disenfranchise traditional clients and supporters.

Chairperson Garner stated this was a great presentation.

Ms. Pollack also stated this was a great presentation. She mentioned that the Board, staff and others had a very productive meeting in Mr. Muchmore’s office several months ago. Some good information came out of that meeting. If that information and Dr. Nelson’s information were combined, she felt it was time to have a decision-making meeting. Chairperson Garner said that could be done as a subcommittee meeting.

Chairperson Garner stated if the development applications could be limited to \$350,000 (maximum currently is \$500,000); this would ultimately allow more grants.

Mr. Muchmore asked about communities who do not have a parks and recreation department, and wondered at the sessions if any suggestions were made about cooperation between communities to help each other with parks and recreation needs. Dr. Nelson responded that there was some. One of the challenges is that cities and townships do not always have the greatest relationships.

Mr. Muchmore stated that perhaps more than one meeting should have been held in the Detroit area due to the largest percentage of population in the state.

Mr. Charters stated that most of the development projects that were funded today were to local units of government and very little to DNR projects. He feels we need to look at this and get it in tune to today’s needs.

Ms. Pollack wanted to know if we needed to have a meeting to discuss all suggestions and information or if we can meet in smaller groups with staff. She would like to get going on this. Mr. Stokes responded this will need to be done soon as information for the grant application booklet and other materials needs to get printed out and to the public. Ms. Pollack would be willing to work on this, but would like another Board member to assist her. Mr. Charters stated he would assist her if it was around the Natural Resources Commission meeting.

Mr. Stokes stated he appreciates all Dr. Nelson's assistance and that he will continue to assist staff. Staff will prepare draft criteria and get with the Board by the first of the year to review. Chairperson Garner added he would like to see the cap lowered on development grants. Mr. Stokes responded he will have discussions with staff and do some analysis on the feasibility due to the costs of some recreation activities.

Mr. Muchmore added that even if the Board awards a lot of small development grants, the communities would still have to provide for the management.

At this point, Chairperson Garner stated he had overlooked the appointment of a Board Vice-Chairperson for 2009 and asked for a motion.

**MOVED BY MR. CHARTERS, SUPPORTED BY MS. POLLACK, TO APPOINT MR. MUCHMORE AS VICE-CHAIRPERSON OF THE MNRTF BOARD FOR 2009. PASSED.**

At this point, Mr. Stokes outlined a proposed new MNRTF plaque for recognition of projects. The company that used to make the plaques no longer is providing this service and it is necessary to find another vendor. There are many grantees waiting to obtain a new plaque to complete their projects. Staff is proposing a newly designed plaque and language. The language would read as follows:

**“Funding for the acquisition or development of this public recreation site is made possible through a grant provided to the citizens of the State of Michigan by: Michigan Natural Resources Trust Fund, Michigan Department of Natural Resources.”**

**MOVED BY MS. POLLACK, SUPPORTED BY MR. CHARTERS, TO APPROVE THE NEW DESIGN AND LANGUAGE FOR THE MNRTF PLAQUE. PASSED.**

Ms. Pollack asked what the intention was of deploying the plaques and if a budget needed to be created for the cost of them. Ms. Apostol responded that this plaque has different wording than the original one. These plaques would be stand-alone and not one that goes on a wall or tree. Mr. Stokes added that these plaques would go to grantees that currently do not have a plaque on their project and for future projects. Existing state or local projects that currently have a plaque on their sites will not have to get a new plaque. One of the criticisms of the old plaque was that the MNRTF put a lot of money into the grantee's project and was not receiving the proper recognition for it (wording and the plaque was small). Ms. Pollack stated that she would like to revisit this issue next year. She feels it would be good to get this new plaque out.

## VI. STATUS REPORTS.

Ms. Pollack asked about the Keweenaw County project (TF05-078, Gratiot River County Park Addition). Ms. Apostol responded that the county was successful in completing the acquisition. The county has received 90% of their reimbursement and is now going through the DNR's Internal Audit. Mr. Stokes added that staff worked on a holiday to complete this acquisition and went well above and beyond the normal process.

### DNR Real Estate Report

Mr. Ed Meadows, Section Manager, Real Estate Services, Office of Land and Facilities, DNR, briefly outlined the DNR Real Estate Report. He referenced the Sterling State Park Acquisition (TF07-131). Due to the economy, this project was acquired at a much lower cost.

Mr. Meadows further stated that there have been questioned raised about the timing and status of the completion of the Kamehameha Forest Land Conservation Easement project. Since the Board's last meeting, the seller has been in discussions with the U.S. Forest Service. This applies to Easement #5 only. Easements #1, #2 and #4 have been completed. Easements #3 and #6 should not be a problem. The DNR is well aware of the timeline and deadline for the funding and it is hoped that these discussions will be completed early in 2009.

Mr. Meadows outlined the Tahquamenon Falls State Park Acquisition (TF06-141). This was acquired as the seller indicated that they were unable to continue to own the property.

### Financial Report

No further discussion.

### Open Projects Status Report

No discussion.

### MNRTF Lump Sum and Line Item Department Projects

No discussion.

## VII. OTHER MATTERS AS ARE PROPERLY BROUGHT BEFORE THE BOARD.

No other matters were discussed.

## VIII. ANNOUNCEMENTS.

The next meeting of the Michigan Natural Resources Trust Fund Board is scheduled for 9:00 AM, Wednesday, February 4, 2009, Lansing Center, Governor's Room, 333 E. Michigan Avenue, Lansing, Michigan.

IX. ADJOURNMENT.

Ms. Pollack wished to thank Chairperson Garner's service as Chairperson for the past two years.

**MOVED BY MR. CHARTERS, SUPPORTED BY MS. POLLACK,  
TO ADJOURN THE MEETING. PASSED.**

The meeting was adjourned at 11:30 AM.

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Bob Garner, Chairperson  
Michigan Natural Resources Trust Fund  
Board of Trustees

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James Wood, Manager  
Grants Management

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DATE